IN THE CLAIMS:

This listing of claims will replace all prior versions, and listings of claims in the application:

(Cancelled) A method for classifying consumers in clusters, comprising:

generating a plurality of classification trees each including both behavioral and demographic consumer segmenting variables for classifying a given consumer population, each of said classification trees including a plurality of decision nodes and a plurality of terminal nodes, and producing a consumer cluster set having a plurality of consumer clusters represented by the terminal nodes, each decision node indicating a certain portion of the consumer population and splitting the certain portion of the consumer segmenting variables; and

searching said consumer cluster sets for an optimal consumer cluster set that optimizes a measure of the behavioral and demographic data,

wherein consumers in each consumer cluster of said plurality of consumer clusters in the optimal consumer cluster set have similar behavioral and demographic characteristics to each other and different behavioral or demographic characteristics from consumers in all other consumer clusters of said plurality of consumer clusters in the optimal consumer cluster set,

wherein the searching includes:

storing profile definitions data for defining evaluation profiles to evaluate partitioning of the consumer population;

determining counts for each of the decision nodes of each of the classification trees, the counts including a right split count, a left split count, and a total count for each of the decision nodes;

storing profile data in the form of summaries of the counts;

storing segment definitions data including variables used to define segments;

comparing performance of the classification trees based on stored profile definitions data, profile data, and segment definitions data to determine the classification tree producing the optimal consumer cluster set, and

using the consumer clusters in the optimal consumer cluster set to focus marketing on groups of consumers.

- 2. (Cancelled) The method of classifying consumers according to Claim 1, wherein said classification trees use Zhang's methodology.
- 3. (Cancelled) The method of classifying consumers according to Claim 1, wherein said searching uses a partitioning program.
- 4. (Previously Amended) A segmentation system for classifying consumers in clusters, comprising:

means for generating a plurality of classification trees each including both behavioral and demographic consumer segmenting variables for classifying a given

consumer population, each of said classification trees including a plurality of decision nodes and a plurality of terminal nodes, and producing a consumer cluster set having a plurality of consumer clusters represented by the terminal nodes, each decision node indicating a certain portion of the consumer population and splitting the certain portion of the consumer population into at least two other nodes in response to one of the consumer segmenting variables; and

means for searching said consumer cluster sets for an optimal consumer cluster set that optimizes a measure of the behavioral and demographic data, *

wherein consumers in each consumer cluster of said plurality of consumer clusters in the optimal consumer cluster set have similar behavioral and demographic characteristics to each other and different behavioral or demographic characteristics from consumers in all other consumer clusters of said plurality of consumer clusters in the optimal consumer cluster set,

wherein the means for searching includes:

means for storing profile definitions data for defining evaluation profiles to evaluate partitioning of the consumer population;

means for determining counts for each of the decision nodes of each of the classification trees, the counts including a right split count, a left split count, and a total count for each of the decision nodes;

means for storing profile data in the form of summaries of the counts;

means for storing segment definitions data including variables used to define segments; and

means for comparing performance of the classification trees based on stored profile definitions data, profile data, and segment definitions data to determine the classification tree producing the optimal consumer cluster set,

whereby the consumer clusters in the optimal consumer cluster set are used to focus marketing on groups of consumers.

- 5. (Previously Amended) The segmentation system according to Claim 4, wherein said classification trees use Zhang's methodology.
- 6. (Previously Amended) The segmentation system according to Claim 4, wherein said means for searching uses a partitioning program.
- 7. (Currently Amended) A segmentation system for classifying consumers in clusters, comprising:

a module executable computer;

a partitioning module adapted to create executed by the computer for creating classification trees to define consumer cluster sets each including both behavioral and demographic consumer segmenting variables for classifying a given consumer population, each of said classification trees including a plurality of decision nodes and a plurality of terminal nodes, and producing a consumer cluster set having a plurality of consumer clusters represented by the terminal nodes, each decision node indicating a certain portion of the consumer population and splitting the certain portion of the

consumer population into at least two other nodes in response to one of the consumer segmenting variables;

a profile definitions module <u>executed by the computer</u> for supplying profile definitions data to said partitioning module; and

a cluster assignments module <u>executed by the computer</u> for storing the consumer cluster sets generated by said partitioning module,

wherein said partitioning module generates an optimal classification tree that optimizes a measure of the behavioral and demographic data resulting in an optimal consumer cluster set having a plurality of consumer clusters with consumers in each consumer cluster of said plurality of consumer clusters in the optimal consumer cluster set having similar behavioral and demographic characteristics to each other and different behavioral and demographic characteristics from consumers in all other consumer clusters of said plurality of consumer clusters in the optimal consumer cluster set,

wherein said partitioning module:

stores profile definitions data for defining evaluation profiles to evaluate partitioning of the consumer population;

determines counts for each of the decision nodes of each of the classification trees, the counts including a right split count, a left split count, and a total count for each of the decision nodes;

stores profile data in the form summaries of the counts;

stores segment definition data including variables used to define segments; and

compares the performance of the classification trees based on stored profile definitions data, profile data, and segment definitions data to determine the classification tree producing the optimal consumer cluster set,

whereby the consumer clusters in the optimal consumer cluster set are used to focus marketing on groups of consumers.

8. (Currently Amended) The segmentation system according to Claim 7, further comprising:

a summarization module adapted to generate executed by the computer for generating summary data, said summary data being a summarization of data contained in said cluster assignments module; and

a summary data module adapted to store <u>executed by the computer for storing</u> said summary data.

- 9. (Original) The segmentation system according to Claim 7, wherein said profile definition module comprises a database.
- 10. (Original) The segmentation system according to Claim 7, wherein said profile data module comprises an electronic file.
- 11. (Original) The segmentation system according to Claim 7, wherein said segment definitions module comprises a dbase file.

- 12. (Original) The segmentation system according to Claim 7, wherein said cluster assignments module comprises a dbase table.
- 13. (Original) The segmentation system according to Claim 7, wherein said partitioning module uses Zhang's methodology to create classification trees.
- 14. (Cancelled) The method according to Claim 1, wherein said determining a performance includes maximizing the following:

$$LFract_{vds} \times RFract_{vds} \times TFract_{s} \times \sum_{p} \left(LPen_{p(dvs)} - RPen_{p(vds)} \right)^{2} \,,$$

where:

LFract_{vds} ≡ LCount_{vds} / TCount_s,

 $RFract_{vds} \equiv RCount_{vds} / TCount_s$,

TFract_s ≡ TCount_s / Total population over all segments (S),

LCount_{vds} ≡ For a given split of segment s, dimension d, by value v, the count of population in the left split,

RCount_{vds} ≡ For a given split of segment s, dimension d, by value v, the count of population in the right split,

TCount_s ≡ For a given split of segment s, the count of population in the segment prior to being split,

 $LPen_{p(vds)} \equiv For a given profile p with a split of segment s, dimension d, by value v, count of profile in the left <math>split_{p(vds)}$ / Count of base in the left $split_{p(vds)}$, and

 $\mathsf{RPen}_{\mathsf{p(vds)}} \equiv \mathsf{For} \ \mathsf{a} \ \mathsf{given} \ \mathsf{profile} \ \mathsf{p} \ \mathsf{with} \ \mathsf{a} \ \mathsf{split} \ \mathsf{of} \ \mathsf{segment} \ \mathsf{s}, \ \mathsf{dimension} \ \mathsf{d}, \ \mathsf{by}$ value v, count of profile in the right $\mathsf{split}_{\mathsf{p(vds)}}$ / Count of base in the right $\mathsf{split}_{\mathsf{p(vds)}}$.

15. (Cancelled) The segmentation system according to Claim 4, wherein said means for determining a performance includes means for maximizing the following:

$$LFract_{vds} \times RFract_{vds} \times TFract_{s} \times \sum_{p} \left(LPen_{p(dvs)} - RPen_{p(vds)} \right)^{2} \,,$$

where:

LFract_{vds} ≡ LCount_{vds} / TCount_s,

RFract_{vds} ≡ RCount_{vds} / TCount_s,

 $\mathsf{TFract}_s \equiv \mathsf{TCount}_s$ / Total population over all segments (S),

 $LCount_{vds} \equiv For a given split of segment s, dimension d, by value v, the count of population in the left split,$

 $RCount_{vds} \equiv For a given split of segment s, dimension d, by value v, the count of population in the right split,$

 $TCount_s \equiv For a given split of segment s, the count of population in the segment prior to being split,$

$$\begin{split} \text{LPen}_{p(vds)} \equiv \text{For a given profile p with a split of segment s, dimension d, by} \\ \text{value v, count of profile in the left split}_{p(vds)} \text{/ Count of base in} \\ \text{the left split}_{p(vds)}, \text{ and} \end{split}$$

$$\begin{split} \text{RPen}_{p(vds)} &\equiv \text{For a given profile p with a split of segment s, dimension d, by} \\ &\quad \text{value v, count of profile in the right split}_{p(vds)} \, \text{/ Count of base in} \\ &\quad \text{the right split}_{p(vds)}. \end{split}$$

16. (Cancelled) The segmentation system according to Claim 7, wherein said determining a performance includes maximizing the following:

$$LFract_{vds} \times RFract_{vds} \times TFract_{s} \times \sum_{p} \left(LPen_{p(dvs)} - RPen_{p(vds)} \right)^{2} \,,$$

where:

LFract_{vds} ≡ LCount_{vds} / TCount_s,

RFract_{vds} ≡ RCount_{vds} / TCount_s,

TFract_s ≡ TCount_s / Total population over all segments (S),

 $LCount_{vds} \equiv For a given split of segment s, dimension d, by value v, the count of population in the left split,$

RCount_{vds} ≡ For a given split of segment s, dimension d, by value v, the count of population in the right split,

TCount_s ≡ For a given split of segment s, the count of population in the segment prior to being split,

 $RPen_{p(vds)} \equiv For a given profile p with a split of segment s, dimension d, by value v, count of profile in the right <math>split_{p(vds)}$ / Count of base in the right $split_{p(vds)}$.

17. (New) The segmentation system according to Claim 4, further comprising:

means for generating summary data, said summary data being a summarization of data contained in said means for generating; and

means for storing said summary data.

18. (New) The segmentation system according to Claim 4, wherein said means for storing profile definitions data comprises a database.

- 19. (New) The segmentation system according to Claim 4, wherein said means for storing profile data comprises an electronic file.
- 20. (New) The segmentation system according to Claim 4, wherein said means for storing segment definitions data comprises a dbase file.
- 21. (New) The segmentation system according to Claim 4, wherein said means for generating comprises a dbase table.